

USE OF RAISED CAPITAL PROCEEDS  
Share Capital Increase according to the resolution of the Shareholders' General Meeting of 16.9.1999

Pursuant to Presidential Decree No. 360/1985 as amended, the company announces the following:

Following the share capital increase effected in cash through a pre-emptive rights offering to existing shareholders, pursuant to the resolution of the Shareholders' Meeting on September 16, 1999 that was concluded in November 1999 (issuance of 25,300,000 new common registered shares of a nominal value of Euro 0.59 (GRD 200) each, right exercise period October 29, 1999 until November 29, 1999 and first trading date December 29, 1999) the Company raised a net amount of 184,619.22 thousand euros (GRD 62,909 million) (gross proceeds 185,619.96 thousand euros (GRD 63,250 million) less offering expenses 1,000.73 thousand euros (GRD 341 million)), that are allocated according to the 2000-2005 Investment Program (Rights Offering Prospectus of September 1999) as it was amended by the resolution of the Ordinary Shareholders' Meetings of June 22, 2001 and June 21, 2002 as follows (amounts in thousand euros):

Investment Program	Prospectus September 1999	Amendments approved by the General Meeting of 22.06.2001	Amendments approved by the General Meeting of 21.06.2002	Effected investments			Pending investments
				29.11.1999-31.3.2002	1.4.2002 - 30.6.2002	Total 29.11.1999-30.6.2002	
Participation in the share capital increase of DOL Digital SA				17,843	0	17,843	
Acquisition of 15% of Microland SA				977	0	977	
<b>Total digital networks</b>				<b>18,820</b>	<b>0</b>	<b>18,820</b>	
Acquisition of 46.75% of Odeon SA				4,491	0	4,491	
Acquisition of 32.27% of Digital Press SA				1,940	0	1,940	
Acquisition of 24.23% of Odeon Licensing SA				29	0	29	
<b>Total subscription-based TV</b>				<b>6,460</b>	<b>0</b>	<b>6,460</b>	
<b>Total digital networks and subscription-based TV</b>	<b>117,388</b>	<b>111,930</b>	<b>31,454</b>	<b>25,280</b>	<b>0</b>	<b>25,280</b>	<b>6,174</b>
Participation in share capital increase of Northern Greece Publishing SA				1,467	0	1,467	
Participation in share capital increase of Special Publications SA				1,963	1,176	3,139	
Participation in share capital increase of Teletypos SA				3,287	0	3,287	
Participation in share capital increase of Expo Plan SA				88	0	88	
Participation in share capital increase of Lambrakis - Hearst Publishing Ltd				241	0	241	
Participation in share capital increase of Publishing Communications SA				147	0	147	
Participation in share capital increase of Freerate Inc.				100	175	275	
Increase in holding of Paper-Pack SA				4,062	0	4,062	
Acquisition of 1.62% of Teletypos SA				0	2,585	2,585	
Acquisition of Action Plan SA				1,212	0	1,212	
1% participation in Action Plan HR SA				0	2	2	
Participation in share capital increase of Action Plan SA				2,324	636	2,960	
Increase in holding of Eurostar SA				1,649	0	1,649	
Increase in holding of Ellinika Grammata SA				0	17	17	
30% participation in Publications 4 Ltd				126	0	126	
<b>Total participations in share capital increases and holding increases</b>	<b>17,608</b>	<b>17,608</b>	<b>24,191</b>	<b>16,666</b>	<b>4,591</b>	<b>21,257</b>	<b>2,934</b>
Super Omada				426	2,045	2,471	
Tachydromos				828	6,588	7,416	
N.G Traveller				114	79	194	
Vimagazino				913	4,566	5,479	
Imerissio Vima				0	6,811	6,811	
Economicos Tachydromos				0	2,820	2,820	
Vimadonna				503	603	1,106	
TV Guide				0	921	921	
Prosopa				0	3,175	3,175	
Economia				0	1,159	1,159	
In Life				0	405	405	
bit				0	352	352	
<b>Total new publishing products</b>	<b>8,804</b>	<b>8,804</b>	<b>40,511</b>	<b>2,783</b>	<b>29,528</b>	<b>32,311</b>	<b>8,200</b>
Repayment of bank loans and suppliers	39,058	42,679	42,679	42,679	0	42,679	0
Full repayment of remaining lease instalments	1,761	1,761	0	0	0	0	0
Re-arrangements of buildings and office space				1,077	0	1,077	
Renovation of office equipment				114	0	114	
Purchase of computers and updating of digital infrastructure				937	44	981	
Lambrakis Press Historical Archives				0	1,156	1,156	
Purchase of building plot				1,371	0	1,371	
Purchase of building plot (Paiania)				0	0	0	
Construction of office building in Paiania				0	0	0	
Refurbishment of wholly-owned building at 3, Chr. Lada st.				0	0	0	
Other relocation expenditure				0	0	0	
<b>Total investments in fixed assets</b>	<b>0</b>	<b>1,837</b>	<b>28,176</b>	<b>3,499</b>	<b>1,200</b>	<b>4,700</b>	<b>23,476</b>
Temporary support to working capital				14,389			
Settlement of Amended Investment Program				-14,389			
Increase in working capital	0	0	17,608	0	8,804	8,804	8,804
<b>Total investments</b>	<b>184,619</b>	<b>184,619</b>	<b>184,619</b>	<b>90,908</b>	<b>44,123</b>	<b>135,031</b>	<b>49,588</b>

\* Amounts may not sum up due to rounding

The Investment Program of the Company was amended according to the resolution of the Shareholders' Ordinary General Meeting of June 22, 2001, decreasing by 5,458.55 thousand euros the funds assigned to investments in New Economy (digital networks and subscription-based TV) and re-assigning this amount to investments in fixed assets pertaining to the re-arrangement, refurbishing and optimizing the buildings of the Company, upgrading its digital information systems (1,837.12 thousand euros) and the reduction of short-term bank loans (3,621.42 thousand euros).

The Ordinary General Meeting of the Shareholders of 21.6.2002 further approved the already effected part of the Investment Program of the Company and resolved on the following:

A. To amend the timetable of the completion of the Investment Program by extending its duration until 31.12.2005. This extension is mainly called for by the general economic situation, where there is an evident sparsity of investment opportunities hindering the placement of investable funds, while it assists the smooth liquidation of the Company's trade portfolio in mutual funds and shares of companies listed on the Athens Stock Exchange.

**In case of a loss that may possibly stem from the liquidation of the above portfolio, the Company will seek to effect the remaining investment program through its available cash reserves.**

B. To increase the funds assigned to investments in fixed assets from 1,837 thousand euros to 28,176 thousand euros and to include the investment of the construction of the Company's new office building in the Investment Program.

Specifically, the General Meeting resolved for the construction of a new office building (total office space 18,000 m<sup>2</sup>), where the company and its affiliates will be relocated, and the refurbishment of the Company's fully-owned building at 3, Chr. Lada st. (total office space 3,000 m<sup>2</sup>), in order to accommodate the Company's departments and affiliates that must remain located in central Athens due to their specific business requirements. The new building will be constructed on the Company's wholly-owned plot of land (of an area of 13,300 m<sup>2</sup>) in Paiania, that will be complemented by the purchase of an adjacent plot of land of an area of 9,000 m<sup>2</sup>. This investment is considered appropriate mainly in view of the significant economies generated by eliminating property rental payments while it is expected to create additional benefits by decreasing various operating expenses, as today Group operations are accommodated in 15 separate buildings, increasing considerably both the property-related operating cost and, indirectly, other related expenses such as communications etc. The total amount of this investment is budgeted at 23,476 thousand euros.

C. To bolster the Company's Publishing Business. Bolstering and enriching the publishing business along with maintaining and strengthening the market position of the company's newspapers and magazines entails continuous funding and launching new publishing products (titles) both stand-alone and inserts that supplement existing publications, focusing principally on the benefit stemming both from enhancing its publishing products and establishing the existing ones at the top positions of circulation, advertisement revenue and readership. This calls for direct funding that is always required until the new titles are established in the market or until the new inserts affect positively the circulation and advertisement revenues of the publications they supplement, as launching and circulating a new publishing products always includes a relative risk. The Company's publishing business has been characterized by stagnant circulations and a recession in ad spending, as they maintained top positions in terms of circulation, ad spending attraction and readership in a market characterized by stagnant circulations and a recession in ad spending.

The above funding of 31,708 thousand euros was deemed to pertain to a key investment of the Company and is strongly linked to bolstering the company's core publishing business, and as such it is decided to be included in the Investment Program of the Company. In this way, the total funds assigned to investments in new publishing products are increased from the originally estimated 8,804 thousand euros to 40,511 thousand euros.

Working Capital in the fiscal year 2000, instead of a total amount of 14,389 thousand euros that was temporarily included in the Investment Program until 31.3.2002. The intensified competition and relative deterioration of terms of payment (disproportionate extension of payments for receivables compared to payments of our liabilities) bring about a situation of limited liquidity. Consequently, the Company approved the increase of its working capital, in order to ensure an increased liquidity margin for the smooth operation and development of the Company's business. Also for the same reasons, it was decided to provide the allocation of an additional 8,804 thousand euros to increase the Working Capital of the Company until the end of 2005.

E. To increase the funds assigned to strengthen the Capital Base of the Company's affiliates. The raised funds assigned to strengthen the capital base of the affiliated companies of Lambrakis Press Group, active in business sectors other than digital economy and subscription-based TV, (mainly through the participation of Lambrakis Press SA in their share capital increases) totalled 17,608 thousand euros. For this purpose, it was also decided to provide for an additional investment amounting to approximately 2,935 thousand euros until the end of 2005. Consequently, funds assigned to participations in share capital increases of affiliated companies is decided to be increased from 17,608 thousand euros to 24,191 thousand euros.

F. To decrease funds assigned to investments in Electronic Networks and Digital TV. The raised funds assigned to investments in Electronic Networks and Digital TV is decided to be curtailed, due to the negative situation in the sector, from the amount of 111,930 thousand euros, assigned according to the resolution of the Shareholder's General Meeting of 22.6.2001, to 31,454 thousand euros.

G. To exclude from the Investment Program the repayment of leasing instalments totalling 1,761 thousand euros.

The funds assigned to pending investments amounting to 49,588 thousand euros is placed in the following securities:		
Securities	Acquisition value	Valuation 30.06.02
	in thousand euros	
Total listed shares	32,734	4,280
Mutual funds	14,674	5,768
Repos and bank deposits	2,180	2,180
<b>Total</b>	<b>49,588</b>	<b>12,228</b>

Athens, August 27, 2002

THE PRESIDENT OF THE BOARD OF DIRECTORS

THE VICE PRESIDENT OF THE BOARD OF DIRECTORS

THE FINANCIAL DIRECTOR

THE HEAD OF THE DIVISION OF ACCOUNTING

CHRISTOS D. LAMBRAKIS  
ID No.: M 154944

STAVROS P. PSYCHARIS  
ID No.: L 352089

DAMIANOS Z. CHATZIKOKKINOS  
ID No.: S 147009

KYRIAKOS P. BOUTSIKARIS  
ID No.: 1374832

CERTIFICATION BY CHARTERED AUDITOR ACCOUNTANT

We have audited the above data of the corporation "LAMBRAKIS PRESS S.A." applying the principles and rules of auditing followed by the Body of Chartered Accountants. From our audit we found out that the above data stem from the accounting books kept by the company and from the company's Offering Prospectuses approved by the Athens Stock Exchange, after accounting for the above notes of the company.

Athens, August 28, 2002

Charal. Ar. Petropoulos  
Reg. ID: 12001  
SOL ERNST & YOUNG S.A.  
CHARTERED AUDITORS ACCOUNTANTS